(c) and (d) The negotiations on CECA are going on. Two rounds of negotiations, first in New Delhi from 27-28 May, 2003 and second in Singapore from 1 -3 July, 2003, have been held so far. The third round is scheduled for 16-18 August, 2003 in New Delhi where a number of subjects relating to various aspects of economic cooperation between the two countries would be discussed between the representatives from the respective Ministries/Departments/Agencies of the two countries.

Farm export subsidies

2702. DR. A.R. KIDWAI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether European Union has stuck to its stand that the farm export subsidies can not be reduced and to push forward proposals for the negotiations on the possible multilateral agreements on investment;

(b) if so, whether recently at Nyon near Geneva, a meeting was held with the developing countries on agriculture and the issues of special products, special safeguard measures and subsidies discussed;

(c) whether Government have decided to accord top priority to increase market access for products of dairy, cereals, sugar, meat, poultry, fruits and vegetables; and

(d) if so, the steps Government propose to take to see that WTO recommendations are fully met?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNAMANENI VIDYASAGAR RAO): (a) In the on-going negotiations on the World Trade Organisation (WTO) Agreement on Agriculture, the European Communities (EC) favour a more gradual reduction in export subsidies than that being sought by major agricultural products' exporting countries, and also by developing countries like India. They have, moreover, linked their flexibility on support and protection in the farm sector with incorporation of non-trade concerns, such as animal welfare and food safety, in the negotiations. The EC continues to maintain that disciplines on trade and investment should be negotiated in the WTO.

(b) Along with United Nations Conference on Trade and Development (UNCTAD), India had co-sponsored a meeting of like-minded developing

countries on *?.5* June, 2003 at Nyon near Geneva to discuss issues of common interest. The issues discussed in this meeting were Special Products, new Special Safeguard Mechanism for developing countries, domestic support modalities for developed countries in order to better address the distortions in world agriculture markets, and use of sanitary and phyto-sanitary measures to deny market access to developing countries.

(c) Government's priority in these negotiations is to safeguard the interests of the Indian farmers, *inter alia,* by providing appropriate levels of tariff protection on imports and taking into account our food security and livelihood concerns and increased market access for agricultural products of export interest to us.

(d) India has been building coalitions with other WTO Members holding similar interests and concerns. The negotiations are scheduled to be concluded by 1 January, 2005.

FDI cap in various sectors

2703. SHRI K. RAMA MOHANA RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Government are thinking of increasing FDI Cap in telecom, aviation, natural gas and liquefied natural gas sectors;

(b) whether Government are also thinking of increasing FDI to 100% in scientific and technical magazines, periodicals and journals; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNAMANENI VIDYASAGAR RAO): (a) The Foreign Direct Investment (FDI) Policy, which includes sectoral caps on foreign equity participation, is reviewed on an ongoing basis. A Group of Ministers (GoM) on Foreign Direct Investment has recommended raising of FDI caps in the sectors of telecommunications, civil aviation, oil and natural gas for the consideration of the Cabinet.

(b) and (c) GoM on FDI has also recommended the proposal for placing the publication of scientific and technical magazines, periodicals and journals for 100% FDI through FIPB route, for the consideration of the Cabinet.